

AN ACT

relating to the allocation of revenue from the municipal hotel occupancy tax for the arts for certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1077 to read as follows:

Sec. 351.1077. ALLOCATION OF REVENUE FOR THE ARTS FOR CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality that:

(1) has a population of more than 190,000;

(2) is located in a county in which another municipality that has a population of more than one million is predominately located; and

(3) issued bonds before January 1, 2007, for the construction of a municipal arts center payable from and secured by revenue from the tax imposed under this chapter.

(b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use an amount that is less than or equal to 15 percent of the hotel occupancy tax revenue collected by the municipality for the purposes provided by Section 351.101(a)(4).

(c) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use an amount that is less than or equal to an additional \$1.6 million in hotel occupancy

1 tax revenue collected by the municipality for the purposes provided  
2 by Section 351.101(a)(4). The \$1.6 million is in addition to the 15  
3 percent amount allowed by Subsection (b).

4 (d) A municipality to which this section applies may not  
5 reduce the amount of revenue that an arts center that receives funds  
6 under Subsection (b) spends for a purpose described by Section  
7 351.101(a)(3) to an amount that is less than the amount of revenue  
8 spent by the arts center for those purposes during the fiscal year  
9 of the arts center preceding the effective date of this section. If  
10 the municipality reduces the funding of the arts center under  
11 Subsection (b), the art center's required funding amount for  
12 purposes described by Section 351.101(a)(3) is also reduced by a  
13 proportional amount.

14 (e) An arts center that receives funds under Subsection (b)  
15 shall include a website address that contains a link to area hotels  
16 and lodging options in the municipality on all materials produced  
17 for the purposes of Section 351.101(a)(3).

18 (f) This section expires September 1, 2022.

19 SECTION 2. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2007.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 462 passed the Senate on April 4, 2007, by the following vote: Yeas 30, Nays 0; and that the Senate concurred in House amendment on April 16, 2007, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 462 passed the House, with amendment, on April 12, 2007, by the following vote: Yeas 130, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor